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### DEPARTMENT OF COMMERCE

INTERNATIONAL TRADE ADMINISTRATION

[A-570-937]

Citric Acid and Certain Citrate Salts from the People's Republic of China: Preliminary Results of Antidumping Duty Administrative Review; 2011-2012

AGENCY: Import Administration, International Trade Administration, Department of Commerce

SUMMARY: The Department of Commerce ("the Department") is conducting an administrative review of the antidumping duty order on citric acid and certain citrate salts ("citric acid") from the People's Republic of China ("PRC"). The period of review ("POR") is May 1, 2011, through April 30, 2012. We have preliminarily found that the respondent, RZBC Imp. & Exp. Co., Ltd. ("RZBC I&E"), has not made sales of subject merchandise at less than normal value ("NV"). If these preliminary results are adopted in our final results of review, we will instruct U.S. Customs and Border Protection ("CBP") to assess antidumping duties on all appropriate entries of subject merchandise during the POR. Interested parties are invited to comment on these preliminary results. We will issue final results no later than 120 days from the date of publication of this notice, pursuant to section 751(a)(3)(A) of the Tariff Act of 1930, as amended ("the Act"). EFFECTIVE DATE: [Insert date of publication in the Federal Register.] FOR FURTHER INFORMATION CONTACT: Krisha Hill or Drew Jackson, AD/CVD Operations, Office 4, Import Administration, International Trade Administration, Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-4037 or (202) 482-4406, respectively.

#### SUPPLEMENTARY INFORMATION:

## Scope of the Order

The scope of the order includes the hydrous and anhydrous forms of citric acid, the dihydrate and anhydrous forms of sodium citrate, otherwise known as citric acid sodium salt, and the monohydrate and monopotassium forms of potassium citrate. Sodium citrate also includes both trisodium citrate and monosodium citrate, which are also known as citric acid trisodium salt and citric acid monosodium salt, respectively. Citric acid and sodium citrate are classifiable under 2918.14.0000 and 2918.15.1000 of the Harmonized Tariff Schedule of the United States ("HTSUS"), respectively. Potassium citrate and crude calcium citrate are classifiable under 2918.15.5000 and 3824.90.9290 of the HTSUS, respectively. Blends that include citric acid, sodium citrate, and potassium citrate are classifiable under 3824.90.9290 of the HTSUS.

Although the HTSUS subheadings are provided for convenience and customs purposes, the written description of the merchandise is dispositive.

#### Preliminary Determination of No Shipments

Yixing Union Biochemical Ltd. ("Yixing Union") reported it made no shipments of subject merchandise to the United States during the POR.<sup>3</sup> On August 3, 2012, the Department requested that CBP report any contrary information. CBP has not responded to the Department's inquiry and the Department has not received any evidence that that Yixing Union had any shipments to the United States of subject merchandise during the POR. Based on Yixing

<sup>&</sup>lt;sup>1</sup> <u>See</u> "Decision Memorandum for Preliminary Results of 2011-2012 Antidumping Duty Administrative Review: Citric Acid and Certain Citrate Salts from the People's Republic of China" from Christian Marsh, Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations to Paul Piquado, Assistant Secretary for Import Administration, dated June 3, 2013 ("Preliminary Decision Memorandum") issued concurrently with this notice for a complete description of the Scope of the Order.

<sup>&</sup>lt;sup>2</sup> See Citric Acid and Certain Citrate Salts from Canada and the People's Republic of China: Antidumping Duty Orders, 74 FR 25703 (May 29, 2009).

<sup>&</sup>lt;sup>3</sup> <u>See</u> Letter from Yixing Union to the Department, regarding "Antidumping Duty Administrative Review of Citric Acid and Certain Citrate Salts from the People's Republic of China - No Shipments Letter of Yixing Union Biochemical Co. Ltd.," dated July 13, 2012.

Union's no shipments certification, and because CBP had no findings of reviewable transactions, we preliminarily determine that Yixing Union did not have any reviewable transactions during the POR.

In addition, the Department finds that consistent with its recently announced refinement to its assessment practice in NME cases, it is appropriate not to rescind the review in part in these circumstances but, rather, to complete the review with respect to Yixing Union and issue appropriate instructions to CBP based on the final results of the review.<sup>4</sup>

# Methodology

The Department has conducted this review in accordance with section 751(a)(1)(A) of the Tariff Act of 1930, as amended ("the Act"). Export prices have been calculated in accordance with section 772 of the Act. Because the PRC is a non-market ("NME") economy within the meaning of section 771(18) of the Act, NV has been calculated in accordance with section 773(c) of the Act. Specifically, RZBC I&E's factors of production have been valued using surrogate value data from Indonesia (where available), which is economically comparable to the PRC and is a significant producer of comparable merchandise. To determine the appropriate comparison method, the Department applied a differential pricing analysis and has preliminarily determined to use the average-to-average method in making comparisons of export price and NV for RZBC I&E.

For a full description of the methodology underlying our conclusions, please see the Preliminary Decision Memorandum, hereby adopted by this notice. The Preliminary Decision Memorandum is a public document and is on file electronically via Import Administration's Antidumping and Countervailing Duty Centralized Electronic Service System ("IA ACCESS").

<sup>4</sup> <u>See Non-Market Economy Antidumping Proceedings: Assessment of Antidumping Duties</u>, 76 FR 65694 (October 24, 2011) ("<u>Assessment in NME Proceedings</u>") and the "Assessment Rates" section, below.

IA ACCESS is available to registered users at http://iaaccess.trade.gov. The Preliminary Decision Memorandum is also available in the Central Records Unit, room 7046 of the main Department of Commerce building. In addition, a complete version of the Preliminary Decision Memorandum can be accessed directly on the internet at http://www.trade.gov/ia/. The signed Preliminary Decision Memorandum and the electronic versions of the Preliminary Decision Memorandum are identical in content.

## Preliminary Results of Review

The Department preliminarily determines that the following weighted-average dumping margin exists:

Exporter	Weighted Average Dumping Margin (Percent)
RZBC Imp. & Exp. Co., Ltd.	0.00

### Disclosure and Public Comment

The Department will disclose calculations performed for these preliminary results to the parties within five days of the date of publication of this notice in accordance with 19 CFR 351.224(b). Interested parties may submit a case brief no later than 30 days after the date of publication of these preliminary results of review.<sup>5</sup> Rebuttal briefs may be filed no later than five days after case briefs are filed and may only respond to arguments raised in the case briefs.<sup>6</sup> A table of contents, list of authorities used and an executive summary of issues should accompany any briefs submitted to the Department. This summary should be limited to five pages total, including footnotes. Interested parties who wish to request a hearing, or to participate if one is requested, must submit a written request to the Assistant Secretary for Import

<sup>&</sup>lt;sup>5</sup> <u>See</u> 19 CFR 351.309(c). <sup>6</sup> <u>See</u> 19 CFR 351.309(d).

Administration, U.S. Department of Commerce, within 30 days after the date of publication of this notice.<sup>7</sup> Requests should contain the party's name, address, and telephone number, the number of participants, and a list of the issues to be discussed. If a request for a hearing is made, the Department intends to hold the hearing at the U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230, at a time and location to be determined.<sup>8</sup> Parties should confirm by telephone the date, time, and location of the hearing two days before the scheduled date.

All submissions, with limited exceptions, must be filed electronically using IA ACCESS. An electronically filed document must be received successfully in its entirety by the Department's electronic records system, IA ACCESS, by 5 p.m. Eastern Time ("ET") on the due date. Documents excepted from the electronic submission requirements must be filed manually (i.e., in paper form) with the APO/Dockets Unit in Room 1870 and stamped with the date and time of receipt by 5 p.m. ET on the due date.<sup>9</sup>

The Department will issue the final results of this administrative review, which will include the results of its analysis of issues raised in any briefs, within 120 days of publication of these preliminary results, pursuant to section 751(a)(3)(A) of the Act.

#### Deadline for Submission of Publicly Available Surrogate Value Information

In accordance with 19 CFR 351.301(c)(3)(ii), the deadline for submission of publicly available information to value factors of production under 19 CFR 351.408(c) is 20 days after the date of publication of the preliminary results. In accordance with 19 CFR 351.301(c)(1), if an interested party submits factual information less than ten days before, on, or after (if the

8 See 19 CFR 351.310(d)

<sup>&</sup>lt;sup>7</sup> <u>See</u> 19 CFR 351.310(c).

<sup>&</sup>lt;sup>9</sup> See Antidumping and Countervailing Duty Proceedings: Electronic Filing Procedures; Administrative Protective Order Procedures, 76 FR 39263 (July 6, 2011).

Department has extended the deadline), the applicable deadline for submission of such factual information, an interested party may submit factual information to rebut, clarify, or correct the factual information no later than ten days after such factual information is served on the interested party. However, the Department generally will not accept in the rebuttal submission additional or alternative surrogate value information not previously on the record, if the deadline for submission of surrogate value information has passed. 10 Furthermore, the Department generally will not accept business proprietary information in either the surrogate value submissions or the rebuttals thereto, as the regulation regarding the submission of surrogate values allows only for the submission of publicly available information.<sup>11</sup>

### Assessment Rates

Upon issuance of the final results, the Department will determine, and CBP shall assess, antidumping duties on all appropriate entries covered by this review. <sup>12</sup> The Department intends to issue assessment instructions to CBP 15 days after the publication date of the final results of this review. For any individually examined respondent whose weighted-average dumping margin is above <u>de minimis</u> (i.e., less than 0.50 percent) in the final results of this review, we will calculate an importer-specific assessment rate on the basis of the ratio of the total amount of antidumping duties calculated for the importer's examined sales and the total entered value of sales, in accordance with 19 CFR 351.212(b)(1). Where we calculate a margin by dividing the total dumping margins for reviewed sales to that party by the total sales quantity

<sup>&</sup>lt;sup>10</sup> See, e.g., Glycine from the People's Republic of China: Final Results of Antidumping Duty Administrative Review and Final Rescission, in Part, 72 FR 58809 (October 17, 2007), and accompanying Issues and Decision Memorandum at Comment 2.

<sup>&</sup>lt;sup>11</sup> <u>See</u> 19 CFR 351.301(c)(3). <sup>12</sup> <u>See</u> 19 CFR 351.212(b)(1).

<sup>&</sup>lt;sup>13</sup> In these preliminary results, the Department applied the assessment rate calculation method adopted in Antidumping Proceedings: Calculation of the Weighted-Average Dumping Margin and Assessment Rate in Certain Antidumping Duty Proceedings; Final Modification, 77 FR 8101 (February 14, 2012). In particular, the Department compared monthly weighted-average export prices with monthly weighted-average NVs and granted offsets for nondumped comparisons in the calculation of the weighted-average dumping margin.

associated with those transactions, in this and future reviews, we will direct CBP to assess importer-specific assessment rates based on the resulting per-unit (<u>i.e.</u>, per-kilogram) rates by the weight in kilograms of each entry of the subject merchandise during the POR. Where either the respondent's weighted-average dumping margin is zero or <u>de minimis</u>, or an importer-specific assessment rate is zero or <u>de minimis</u>, we will instruct CBP to liquidate the appropriate entries without regard to antidumping duties. We intend to instruct CBP to liquidate entries containing subject merchandise exported by the PRC-wide entity at the PRC-wide rate we determine in the final results of this review.

The Department announced a refinement to its assessment practice in NME antidumping duty cases. Pursuant to this refinement in practice, for merchandise that was not reported in the U.S. sales databases submitted by an exporter individually examined during this review, but that entered under the case number of that exporter (<u>i.e.</u>, at the individually-examined exporter's cash deposit rate), the Department will instruct CBP to liquidate such entries at the PRC-wide rate. Additionally, pursuant to this refinement, if the Department determines that an exporter under review had no shipments of the subject merchandise, any suspended entries that entered under that exporter's case number will be liquidated at the PRC-wide rate. <sup>14</sup>

## Cash Deposit Requirements

The following cash deposit requirements will be effective upon publication of the final results of this administrative review for shipments of the subject merchandise from the PRC entered, or withdrawn from warehouse, for consumption on or after the publication date, as provided by sections 751(a)(2)(C) of the Act: (1) for RZBC I&E the cash deposit rate will be its respective rate established in the final results of this review, except if the rate is zero or de

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<sup>&</sup>lt;sup>14</sup> See Assessment in NME Proceedings, for a full discussion of this practice.

minimis no cash deposit will be required; (2) for previously investigated or reviewed PRC and non-PRC exporters not listed above that have separate rates, the cash deposit rate will continue to be the exporter-specific rate published for the most recent period; (3) for all PRC exporters of subject merchandise which have not been found to be entitled to a separate rate, the cash deposit rate will be that for the PRC-wide entity; and (4) for all non-PRC exporters of subject merchandise which have not received their own rate, the cash deposit rate will be the rate applicable to the PRC exporter that supplied that non-PRC exporter. These deposit requirements, when imposed, shall remain in effect until further notice.

We have adjusted the preliminary results antidumping duty margin for export subsidies because the Department found evidence of an export subsidy in the companion countervailing duty proceeding. Additionally, the Department has not adjusted the preliminary results antidumping duty margin for estimated domestic subsidy pass-through because it has concluded that concurrent application of NME antidumping and countervailing duties do not necessarily and automatically result in overlapping remedies.<sup>15</sup>

## Notification to Importers

This notice also serves as a preliminary reminder to importers of their responsibility under 19 CFR 351.402(f)(2) to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during this review period. Failure to comply with this requirement could result in the Department's presumption that reimbursement of antidumping duties occurred and the subsequent assessment of double antidumping duties.

<sup>15</sup> <u>See</u> Preliminary Decision Memorandum.

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We are issuing and publishing these results in accordance with sections 751(a)(1) and 777(i)(1) of the Act and 19 CFR 351.213.

Paul Piquado
Assistant Secretary
for Import Administration

June 3, 2013\_ Date

# Appendix -- List of Topics Discussed in the Preliminary Decision Memorandum

- 1. Background
- 2. Scope of the Order
- 3. Non-Market Economy Country
- 4. Separate Rate
- 5. Surrogate Country and Surrogate Value Data
- 6. Fair Value Comparisons
- 7. U.S. Price
- 8. Normal Value
- 9. Export Subsidy Adjustment
- 10. Section 777A(f) of the Act
- 11. Currency Conversion

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